

EXPLANATION OF LISTING OF OVN FUNCTIONS

1. Identification of Functions. By direction, the headquarters' components at Office and Area levels are treated as separate functions instead of having the manpower and funds prorated. The essential support activities (such as editing and review, budget and personnel management, and requirements processing and coordination) are treated as separate functions. Two criteria prove most meaningful in identifying functions in the field of economic intelligence research and production: First, subjects having high priority interest (such as those relating to Soviet guided missile production and to Soviet economic penetration in underdeveloped areas); and second, subjects basic to economic analysis (such as population and manpower and fuel and power). In the field of geographic intelligence research and production, it proves more meaningful to distinguish between functions on the basis of end use or consumer.

2. The Essential Interdependence of Functions. In considering the problem of identifying and listing functions individually and in priority, it immediately becomes apparent that certain groups of functions identified within OVN logically should be treated as essential parts of a larger, more comprehensive whole. The study of the structure and growth of economies requires an integrated approach based on aggregative analysis which, in turn, is dependent on the research in separate sectors of the economy (such as industry,

power development, agriculture, and trade). This latter research is essential as support to aggregative analyses on a national or regional basis, while at the same time it provides expertise in specific fields as well as eschewed contributions to the R&D. Functional units identified within a group of this type do not, therefore, lend themselves to priority listing. The Map Library activity is illustrative of the problem of essential interdependence of some specialised support functions. Here the most logical separation of functions is between map program guidance, map cataloging and file maintenance, and map reference servicing. Certainly, no one of these functions alone could be justified without the other two.

3. Functions Separable from the Whole. In contrast to the above, there are certain functions listed which, because they are limited in scope and are drawn out from the main body of research, are separable parts of the total research effort. Nevertheless, it must be recognized that the research and analysis performed in carrying out such functions contributes substantially to the main body of research. Such separable functions involve the effort devoted to the study of Soviet guided missile production, to intelligence production in support of the US economic defence program, and to geographic studies in support of clandestine operations.

4. The Problem of Priority Listing. This Office finds extreme difficulty in preparing a priority listing of functions that implies placing the most important and essential functions at the top and the

least important and most expendable functions at the bottom of the list. It must be assumed that management and basic support functions are essential to the performance of all other functions in the organization and are, therefore, in a class by themselves from the priority point of view. Some functions that are separable from the whole are of the highest priority in terms of national intelligence objectives. Other functions individually or as a group carry a high degree of importance because they provide a service of common concern and a commitment to the intelligence community or to a policy and action group.

5. Preferred Approach to Problem. In large part because of facts brought out in the above paragraphs, this Office would prefer to approach the problem of adjusting to any reduction in manpower and/or funds that might be imposed from above by decreasing selectively the quantity of intelligence production, by means of:

- a. a further reduction in the comprehensiveness of manuscripts for publication;
- b. some decrease in the depth of research, with greater reliance on accumulated experience and judgment; and
- c. a stretch-out in programming for some areas of more basic research.

Concurrently, Office management would continue to seek ways for obtaining maximum utilization of its human resources by shifting emphasis and intensity of effort within existing functional areas.

in order to reflect changing priority needs. At the same time, of course, the Office would continue its efforts to raise significantly the average of competency and over-all efficiency of its professional personnel.